From: Tal Eidelberg To: Microsoft ATR Date: 1/27/02 8:58 pm

Subject: Microsoft Settlement

The final settlement proposal by the United States, suggests sanctions that will be imposed on the Microsoft Corporation. These sanctions are supposed to imply that the US government and department of law disapprove of Microsoft's monopoly over the PC operating system market, and Microsoft's use of this monopoly to dominate other markets, such as the web browser market. My opinion is that it is not right for the government to intervene with the natural selection of the software industries, and that such an intervention ultimately does not help the markets, the customers. Looking back to the 1990s, it is obvious that the PC market has undergone a revolution. The main change was that PCs became user-friendly, and that almost any average non-programmer could use them. Because of this new user-friendly style, the PCs became very popular, their prices dropped, and the new now-affordable computers were summoned to help in many places where they were desperately needed. The upbringing of this revolution, by all means, should be accredited to one organization, the Microsoft Corporation. Microsoft Corporation through many years of dedicated, complex software development, had built an operating system that is unbelievably simple to operate and is intuitive enough for a seven-year-old child to handle. The qualities of the windows operating system series is the sole reason that Microsoft originally became successful, and therefore Microsoft is rightfully dominating the PC operating system market, which Microsoft fostered. The inclusion of Microsoft's Internet Explorer for free with the windows 98 operating system is a one hundred percent legitimate market strategy. I believe that a company that develops a widespread product, such as Microsoft's Windows operating system, it should hold the right to further add and develop that product as it sees suitable for the company's benefit. Software markets are fast moving, and companies rise and fall fairly quickly. This is for no other reason but the fast moving pace of technological advances of our century. There is no guarantee for any one company that its product will be required in the near future. Microsoft has done a great job in surviving the cut-throat competition of the software technology market, and along the way defined and introduced many standards such as COM software objects, which left the entire software developer world swayed with astonishment. The intervention on the behalf of the government by no means helps the customers. Customers who wish to use non-Microsoft operating systems are free to choose form an array of products such as Unix, Linux and OS2 to name a few. By forcing Microsoft to allow competitors to create new operating systems, the government is actually lowering the standards of competition that were defined by the natural market. The end result is that the customers get lower standard software, and eventually the PC software market

will gain a low quality reputation that will decrease the market's scope. The employment of unlawful techniques to maintain monopoly, or to achieve goals should be forbidden and fought. In the case of Microsoft's offer to Netscape where it was suggested that Netscape does not compete in the operating system market, and in return Microsoft does not compete in the web browser market, it is clear that the intention of Microsoft was to unlawfully maintain a Monopoly. A situation such as this obviously hurts customers and the market, and therefore should be dealt with and punishment should be sought in a rightful magnitude. This, however, should not imply that all of Microsoft's actions are unlawful and should be constrained. As it seems Microsoft controls the operating system market today. There is, however, no guarantee that the future will be as fortunate for Microsoft as the past had been. In today's free competition markets, Netscape can use the same techniques used by Microsoft and distribute a free version of Unix for example with their web browser Navigator product. Free competition is the basis for a great economy, and therefore the government should not intervene, unless companies act unlawfully.

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